

Testimony before the Michigan House Competitiveness Committee on House Bill 4714

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Good afternoon Mr. Chairman and committee members, my name is Sean Gehle and I am here on behalf of Ascension Health – Michigan which includes Borgess Health, Genesys Health system, St. Mary's of Michigan and St. John Providence Health system. Approximately 1 in 8 discharges in Michigan occur at an Ascension Health – Michigan hospital and we are part of Ascension Health, the largest not-for-profit and largest Catholic health system in the country. Our mission calls us to serve all persons with special attention to those who are poor and vulnerable. More specifically, Ascension Health's Strategic direction encompasses Healthcare that Works, Healthcare that is Safe and Healthcare that Leaves No One Behind.

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Healthcare that Leaves No One Behind represents Ascension Health's commitment to 100 percent Access and 100 percent coverage for all Americans. This commitment continues the tradition of Ascension Health's sponsors: the four provinces of the Daughters of Charity of St. Vincent De Paul and the congregation of the Sisters of St. Joseph who have been attending to the health needs of numerous U.S. communities by opening hospitals and clinics since the early 1800's and who trace their roots to 17th century France.

We strongly believe that Medicaid Expansion is an integral component of providing health insurance coverage to more Michigander's by reducing the number of uninsured in our state by 46%. Absent this expansion, a significant number of individuals below 100% of the Federal Poverty Level do not qualify for any subsidies to purchase individual coverage under the Affordable Care Act and no other funding exists for this group. Subsequently, we were enthusiastically supportive of Governor Snyder's proposal to expand Michigan's Medicaid program up to 133% of the Federal poverty level as proposed in the FY '14 Executive Budget Recommendation.

Expansion of Michigan's Medicaid program has significant implications for how care is delivered in our state. This is no more evident than in its expected impact on inappropriate utilization of the Emergency Room; a healthcare setting that is widely recognized as the most costly in which to deliver care and, for some, who have no primary care access, one in which only uncoordinated episodic care is given, and often only after a condition has worsened into a serious health condition. One of our hospitals, St. John Hospital and Medical Center experienced 121,000 Emergency Department visits in calendar year 2012. This was the most of any single hospital in Southeast Michigan in this time period and represented an 8% increase from the previous year. We believe that some of this increase continues the upward trend of patients accessing the E.R. for non-emergent conditions because it is the only access point they know. Our health systems employ a number of strategies to provide access to individuals who might otherwise seek care in the E.R. Including a number of Community Health clinics, Parish nursing programs, School Based health centers, Chronic disease centers like the Borgess

Diabetes Center, a Community Benefit Pharmacy, and enhancing our partnership with Federally Qualified Health centers in close proximity to our hospitals, even providing vouchers and one-on-one assistance to patients in making their first appointments with a primary care physician in this setting to encourage the development of a provider/patient relationship. Notwithstanding all of these efforts, we continue to believe that the most effective tool to reduce inappropriate ER visits is through health insurance coverage that enables individuals to establish an ongoing regular relationship with a primary care provider.

Subsequently we appreciate that HB 4714 includes provisions to provide access to primary health care physicians, promote preventative services and develop incentives to promote healthy behavior. Our health systems continue on a path to integrate our affiliated physicians and hospitals to deliver coordinated care to our communities through a population health model that improves health, the patient experience, and reduces the cost of healthcare. As examples of this Genesys Health system, has been designated one of three Pioneer ACO's in the state of Michigan and one of only 32 in the country and pursues this goal through Genesys Health Works while St. John Providence Health system has engaged in a 50/50 partnership with the Physician alliance, a physician organization comprised of more than 2300 physicians in Southeast Michigan that seeks to deliver coordinated care to patient populations through a lifetime of health management.

We appreciate the work that Representative Lori, Representative Pscholka and their legislative colleagues have engaged in, in order to introduce this legislation and continue the discussion of

Expanding Michigan's Medicaid program. While we believe this bill has the potential to achieve the goal of providing additional health insurance coverage in Michigan we have significant concerns regarding the time limits included in this proposal that would reopen coverage gaps and interrupt the establishment of the patient primary care provider relationship. We urge this committee to reconsider the 48 month time limit for nondisabled adults as well as language that effectively ends this expansion once federal funding drops below 100% for implementation and administration for the enrollees covered by the bill.

Thank you again Mr. Chairman and committee members for the opportunity to share our thoughts with you as you continue your deliberations on this legislation.